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Florida Department of Transportation

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OFFICE OF THE
SECRETARY

April 7, 2011

Mr. Daniel R. Elliott III
Chairman, Surface Transportation Board
395 E Street, SW, Suite 1220
Washington, DC 20423

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Dear Chairman Elliott:

The history of railroading in Florida spans more than 175 years and is closely linked with the state's development and growth. New rail line construction accelerated beginning in the early 1880's with the opening of previously inaccessible parts of the state. Henry Plant's rails pushed south from Jacksonville along the St. Johns River to Sanford then southwest through Orlando and Tampa. Henry Flagler acquired the Jacksonville, St. Augustine and Halifax River railway, and advanced construction along the east coast arriving in the settlement of Miami in 1896.

Today Florida is served by almost 2,800 miles of rail operated by two Class I carriers, one Class II (regional) carrier, and twelve Class III (short-line) railroads. The Florida Department of Transportation has developed a strong partnership with the railroad industry of the state. We recognize the importance of an effective rail system to highway congestion relief and Florida's economy. In 1980 the Staggers Act allowed railroads to compete in the transportation marketplace and to abandon unprofitable lines. Florida's rail infrastructure, freight rail services, and rail safety, has continuously improved since deregulation in 1980. Nationally, freight railroads have invested more than \$460 billion since 1980 to maintain and improve infrastructure and equipment.

We are making major investments in Florida's deep water ports to increase our economic competitiveness and capitalize on international trade opportunities associated with the widening of the Panama Canal in 2014. Railroads need to continue investing in capacity if we are to maximize benefits associated with international trade.

Deregulation has driven greater competition, increased safety and service, and improved efficiencies. As you and your colleagues at the Surface Transportation Board consider new issues impacting our nation's railroad industry, I urge you to balance any perceived need for additional regulations on the railroad industry with the industry's ability to invest in additional capacity to efficiently move people and goods.

Sincerely,

Francis Gibbs
Acting Secretary

FG/fwc

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